

Creating Jobs and Spurring Innovation: 2013 Legislative Session

"In order to grow and strengthen our middle class, we need to invest in education, foster innovation, and give workers the skills they need to compete in the 21st century global marketplace." -- Gov. Martin O'Malley

In the first quarter of 2013, Maryland created jobs faster than any other state in the region and at the 4th fastest rate in the nation. Maryland's dynamic private sector led that growth, creating 9 out of every 10 new Maryland jobs. As of March 2013, our work alongside thriving businesses has driven down the unemployment rate to a four-year low and allowed us to recover 97% of the jobs we lost in the national recession.

This year, we took meaningful steps to create jobs and expand opportunity. We remain focused on strengthening and growing our businesses, and fueling the job-creating potential of Maryland's world-class innovation economy.

Investing in Jobs

- **The FY14 Capital Budget** creates, supports, and leverages over 43,000 jobs rebuilding schools, roads, bridges, community colleges, and other projects.
- **Transportation Infrastructure Investment Act of 2013** raises an average \$800 million annually, which will support 57,000 jobs over six years, ease traffic congestion, and build a 21st century transportation network.
- **Wind Energy Act of 2013** combines innovation and job creation by incentivizing the construction of a 200 megawatt wind farm off Maryland's coast, with the potential to create over 1,000 high-paying green jobs.

Training our Workforce

- **The EARN (Employment Advancement Right Now)** bill fosters collaboration between businesses, local governments, and non-profits so workers receive training in the skills they need to find jobs in high-demand sectors like construction, manufacturing, cyber, and healthcare.
- **Veterans Full Employment Act** ensures that veterans receive the full credit they deserve for their military training, education, and experience -- both from licensing boards and institutions of higher learning.

Encouraging Private Investment

- **Public-Private Partnership** legislation passed this year makes the P3 process more predictable, transparent, and attractive to private investors. Once streamlined, P3s could contribute between 6 and 10% of Maryland's \$3.1 billion annual capital budget and create as many as 4,000 jobs.
- The FY2014 budget invests \$56 million to spur investment and create jobs in Maryland's key industry sectors:
 - **Biotechnology Tax Credit** spurs innovation in Maryland's world-class biotechnology and life sciences sector. Through FY2013, Maryland has invested in more than 50 companies creating more than 200 new biotechnology jobs. The FY2014 budget invests \$10 million in the program, 25% more than last year.
 - **Research and Development Tax Credit** protects Maryland's #1 ranking for research and development per capita. The FY2014 budget invests \$8 million in the R&D Tax Credit, \$2 million more than last year.
 - **Cybersecurity Investment Tax Credit** ensures Maryland, home to the National Cyber Center of Excellence, remains a national leader in cybersecurity.
 - **Film Tax Credit** secures job-creating film productions in Maryland such as HBO's *Veep* and Netflix's *House of Cards*. To date, the tax credit has created more than 5,700 jobs for cast, crew, and extras in Maryland. The FY2014 budget invests record funding in Maryland's film industry.
- **InvestMD** invests in promising early-stage companies throughout the state. Through an online tax credit auction, InvestMaryland raised \$84 million in venture capital for Maryland businesses. Those dollars can leverage up to 5 to 10 times that amount in private equity dollars, or roughly \$350 - \$700 million. To date, more than \$2 million has been disbursed to eight Maryland start-ups and \$25 million has been invested by three local venture firms. In April, the first winners of the inaugural InvestMaryland Challenge were announced out of an impressive field of over 250 entrants. Nearly \$28 million in investment dollars will be available in FY2014 to further these efforts.

Maryland's thriving economy has not gone unnoticed. In April, the U.S. Chamber of Commerce ranked Maryland #1 for entrepreneurship and innovation for the second year in a row and among the top ten for economic performance for the fourth year in a row. The Milken Institute ranks our State #1 in research and development per capita and #2 for science and technology assets. The nonpartisan group The States Project says we're #2 for economic opportunity and the Information Technology and Innovation Foundation ranks us among the five states best positioned to succeed in the new economy. And last year, entrepreneurial Marylanders made our State fourth in the nation for startups per capita according to a study by Fast Company.